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AMEMBASSY BEIJING PRIORITY
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE PRIORITY
AMEMBASSY ISLAMABAD PRIORITY

S E C R E T STATE 018700

E.O. 12958: DECL: 02/14/2017

TAGS: PARM PREL ETTC MTCRE KSCA CH PK

SUBJECT: ADDITIONAL INFORMATION ON PROCUREMENT EFFORTS BY
PAKISTAN'S MISSILE PROGRAM IN CHINA (S)

REF: A. STATE 008579
 1B. BEIJING 000531
 1C. 06 STATE 39514
 1D. 06 BEIJING 004671

Classified By: ISN/MTR DIRECTOR PAM DURHAM
FOR REASONS 1.4 (B), (D), AND (H).

11. (U) This is an action request. Embassy Beijing please see paragraph 3.

12. (S) Background and Purpose/Objective: In March 2006 and January 2007, the U.S. provided PRC officials with information indicating that an entity affiliated with Pakistan's missile program was working to procure a ring rolling machine and possibly a flow forming machine from sources in China (Refs A and C). We believe Pakistan's missile program likely intends to use these machines to manufacture solid rocket motor cases. We now want to advise China that in November 2006, this Pakistan-based entity continued its efforts to purchase a ring-rolling machine from China and that some consideration had been given to bribing officials at the Chinese Ministry of Commerce to facilitate this export. During the same time period, this entity approached another Chinese firm seeking to procure a flow forming machine. The ring rolling machine is not an MTCR-controlled item, but has utility in the production of missile airframes. The flow forming machine, however, is MTCR-controlled because it can be used to create complex shapes required for the production of missile parts. We want to provide this latest information to PRC authorities in order to support their ongoing investigation of this activity and ask that they use all available measures to thwart these firms' efforts to evade China's export control laws.

13. (S) Action Request: Department requests Embassy Beijing approach appropriate host government officials to deliver talking points in paragraph 4 and report response. Talking points also may be provided as a non-paper.

14. (S) Begin talking points/non-paper:

(Secret Rel China)

-- On several occasions, we have raised with you our concerns regarding efforts by Pakistan to obtain a ring-rolling machine and flow forming machine from sources in China.

-- We initially brought this matter to your attention in March 2006 when we alerted you that the Chinese firm Jinan JFMMRI Metal Forming Machinery Engineering Company, Ltd. (JFMMRI) was working to supply Pakistan's Heavy Mechanical Complex (HMC) with a ring-rolling machine.

-- Although not controlled by the Missile Technology Control Regime (MTCR), a ring-rolling machine can be used to make stiffener rings for ballistic missile airframes.

-- Subsequently, in January 2007, we informed you that this transaction continued to move forward and that in August 2006, JFMMRI had received from HMC a false end-user statement indicating the ring rolling machine would be used to

manufacture containers for sugar and cement.

-- We now would like to provide you with additional details about this activity in order to assist your ongoing investigation.

-- Specifically, we understand that in November 2006, HMC was continuing with its efforts to purchase a ring-rolling machine from JFMMRI.

-- During the same time period, HMC also approached another Chinese firm, China National Nonferrous Metals Import Export Company (CNNMIEC) in Beijing, concerning the purchase of a flow forming machine it had previously been seeking from the Chinese firm Beijing Machinery Import-Export Corporation (BMIEC).

-- Flow forming machines are controlled by the MTCR and China's missile technology control list and can be used to create a variety of complex shapes like missile end domes.

-- As we have indicated in our previous discussions of this case, we believe HMC is acting on behalf of Pakistan's missile program and likely intends to use the ring-rolling machine in conjunction with the flow forming machine to manufacture solid rocket motor cases.

-- We hope this information is useful in supporting your investigation into this transaction. We also urge you to use all available measures to thwart any efforts by these firms to evade your export control laws in order to supply this equipment to Pakistan.

-- We look forward to future cooperation on nonproliferation issues and would appreciate hearing any updates you may have on the status of your investigation of this case.

END TALKING POINTS.

¶5. (U) Washington POC is ISN/MTR James Mayes (Phone: 202-647-3185). Please slug reporting on this or other missile nonproliferation issues for ISN/MTR and EAP/CM.

¶6. (U) A word version of this document will be posted at www.state.sgov.gov/demarche in the "MTAG - EAP" folder.

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End Cable Text